

SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 228, 229, 232, 240, 249 and 270

**Release Nos. 33-8529, 34-51129, 35-27944, 39-2432, IC-26747; File Number
S7-35-04**

RIN 3235-AJ32

**XBRL VOLUNTARY FINANCIAL REPORTING PROGRAM ON THE EDGAR
SYSTEM**

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: We are adopting rule amendments to enable registrants to submit voluntarily supplemental tagged financial information using the eXtensible Business Reporting Language (XBRL) format as exhibits to specified EDGAR filings under the Securities Exchange Act of 1934 and the Investment Company Act of 1940. Registrants choosing to participate in the voluntary program also will continue to file their financial information in HTML or ASCII format, as currently required. To participate in the program, volunteers need to submit their XBRL formatted information in accordance with the amendments. The voluntary program is intended to help us evaluate the usefulness of data tagging and XBRL to registrants, investors, the Commission and the marketplace.

EFFECTIVE DATE: March 16, 2005.

FOR FURTHER INFORMATION CONTACT: If you have questions about the amendments, please contact one of the following members of our staff: Brigitte Lippmann or Mark W. Green, Division of Corporation Finance (202-942-2910), Jeffrey W. Naumann, Office of the Chief Accountant (202-942-4400), or Toai P. Cheng (202-

942-0590) or David S. Schwartz (202-942-0721), Division of Investment Management, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549. If you have technical questions about the EDGAR system, please contact the EDGAR Filer Support Office (202-942-8900) or Richard Heroux, EDGAR Program Manager (202-942-8800), in the Office of Information Technology.

We also invite public inquiries and comments regarding the voluntary program through the use of an Internet electronic mailbox at <http://www.sec.gov/spotlight/xbrl.htm>. Because electronic mail (e-mail) on the Internet is not secure, you should not send confidential or sensitive information.

SUPPLEMENTARY INFORMATION: We are adopting¹ amendments that will add Rules 401² and 402³ to Regulation S-T, revise Rules 11⁴ and 305⁵ under Regulation S-T,⁶ Item 601⁷ under Regulation S-K,⁸ Item 601⁹ under Regulation S-B,¹⁰ Rules 13a-14¹¹ and

¹ The amendments were proposed in Release No. 33-8496 (Sept. 27, 2004) [69 FR 59094] (“Proposing Release”).

² 17 CFR 232.401.

³ 17 CFR 232.402.

⁴ 17 CFR 232.11.

⁵ 17 CFR 232.305.

⁶ 17 CFR 232.10 et seq. We also are adopting an amendment to add a heading for Rules 401 and 402.

⁷ 17 CFR 229.601.

⁸ 17 CFR 229.10 et seq.

⁹ 17 CFR 228.601.

¹⁰ 17 CFR 228.10 et seq.

¹¹ 17 CFR 240.13a-14.

15d-14¹² under the Securities Exchange Act of 1934 (“Exchange Act”)¹³ and Rules 8b-1,¹⁴ 8b-2¹⁵ and 30a-2¹⁶ under the Investment Company Act of 1940 (“Investment Company Act”).¹⁷ We also are adopting amendments that revise Forms 20-F¹⁸ and 6-K¹⁹ under the Exchange Act and add new Rule 8b-33 under the Investment Company Act.

Table of Contents

I. BACKGROUND

II. THE AMENDMENTS

- A. Form of XBRL Submissions
- B. Description of XBRL Data
- C. Timing of XBRL Submissions
- D. Official Filings Still Required
- E. Voluntary Program Content and Format
- F. XBRL Data Must Correlate to Standard XBRL Taxonomies
- G. Use of Tagged Data
- H. Liability Issues

III. PAPERWORK REDUCTION ACT

IV. COST-BENEFIT ANALYSIS

- A. Benefits
- B. Costs

¹² 17 CFR 240.15d-14.

¹³ 15 U.S.C. 78a et seq.

¹⁴ 17 CFR 270.8b-1.

¹⁵ 17 CFR 270.8b-2.

¹⁶ 17 CFR 270.30a-2.

¹⁷ 15 U.S.C. 80a-1 et seq.

¹⁸ 17 CFR 249.220f.

¹⁹ 17 CFR 249.306.

V. FINAL REGULATORY FLEXIBILITY ANALYSIS

- A. Reasons for, and Objectives of, the Amendments
- B. Significant Issues Raised by Public Comment
- C. Small Entities Subject to the Amendments
- D. Projected Reporting, Recordkeeping, and Other Compliance Requirements
- E. Agency Action to Minimize Effect on Small Entities

VI. CONSIDERATION OF IMPACT ON THE ECONOMY, BURDEN ON COMPETITION AND PROMOTION OF EFFICIENCY, COMPETITION, AND CAPITAL FORMATION

VII. STATUTORY BASIS AND TEXT OF AMENDMENTS

I. BACKGROUND

On September 27, 2004, we proposed to adopt amendments to Regulation S-T to allow registrants to supplement their Commission filings by furnishing financial data on the Commission's Electronic Data Gathering, Analysis and Retrieval System ("EDGAR") as an exhibit using eXtensible Business Reporting Language ("XBRL"),²⁰ beginning with the 2004 calendar year-end reporting season.

All registrants who file with the Commission are generally required to file electronically on EDGAR.²¹ The EDGAR database, accessible on our Web site at <http://www.sec.gov>, provides ready access to a broad range of registrant information.

²⁰ XBRL is an open standard that provides a format for tagging financial information and allows users to extract, exchange, analyze and display financial information. XBRL was developed and continues to be supported by XBRL International, a collaborative consortium of approximately 250 organizations representing many constituents of the financial reporting community. Organizations in the consortium include issuers, public accounting firms, software companies, filing agents, data aggregators, stock exchanges, regulators, financial services companies, and industry associations. The Commission is not a member of the consortium. XBRL International and its related entities have been developing standard taxonomies that they state classify and define financial information in accordance with U.S. Generally Accepted Accounting Principles ("GAAP") and our regulations. An XBRL taxonomy is a standard description and classification system for business reporting and financial data. Tags consist of specific financial data, such as the line items presented in the financial statements, and words or labels, such as headers in the notes to the financial statements. See <http://www.xbrl.org> and Release No. 33-8497 (Sept. 27, 2004) [69 FR 59111] ("Concept Release") for a further description of XBRL.

²¹ Rules 100 and 101 of Regulation S-T (17 CFR 232.100 and 232.101).

Electronic submissions are governed by Regulation S-T, in conjunction with the EDGAR Filer Manual²² and the electronic filing provisions of applicable rules, regulations, and forms. Since we first adopted rules to implement the operational phase of EDGAR, we have continually sought to make EDGAR more useful to the investing public.

Proponents of the XBRL reporting standard assert that it offers benefits for all participants in the financial information supply chain, from registrants, who would benefit from potential efficiencies in preparing their filings, and improved transparency of their filings, resulting in broader analyst coverage, more market exposure and greater investor confidence, to regulators and investors, who would benefit from ready access to tagged financial data for analytical and review purposes.²³

The amendments that we adopt today will permit volunteers to submit on EDGAR supplemental exhibits using XBRL for the purpose of allowing registrants, the Commission and others to test and evaluate tagging technology. The voluntary program will permit any registrant to participate merely by submitting an XBRL exhibit in the required manner. The XBRL exhibits will be publicly available but will be considered furnished rather than filed. Although XBRL exhibits will be required to accurately reflect the information that appears in the corresponding part of the official filing, the purpose of submitting XBRL data is to test the related format and technology and, as a result, investors and others should continue to rely only on the official version of a filing

²² See Rule 301 of Regulation S-T (17 CFR 232.301). We originally adopted the EDGAR Filer Manual on July 1, 1993, with an effective date of July 26, 1993. Release No. 33-6986 (Apr. 1, 1993) [58 FR 18638]. We most recently updated the EDGAR Filer Manual on August 6, 2004, the current version of which can be found at <http://www.sec.gov/info/edgar.shtml>. See Release No. 33-8454 (Aug. 6, 2004) [69 FR 49803].

²³ See <http://www.xbrl.org>.

and not rely on the XBRL data in making investment decisions. We will include cautionary language to this effect on the Commission's Web site.

We received 28 comment letters relating to the Proposing Release from various constituencies, including issuers, accounting firms, financial analysts, filing agents and associations representing the interests of such constituencies.²⁴ Commenters expressed general overall support for the Commission's approach to implementing the voluntary program and investigating tagged data. Commenters also supported our approach of not limiting the program by size or specific industry.²⁵ The final rules include a number of changes from the proposed rules to address the comment letters, including commenters' recommendations to encourage participation in the program and provide volunteers with greater flexibility. For example, we have addressed commenters' requests to allow volunteers the option of whether to submit the notes to the financial statements in XBRL in the voluntary program.²⁶ There were many additional comments addressing the development of the voluntary program and the XBRL technology, including taxonomy development, auditor attestation and audit opinions. We discuss specific comments

²⁴ See letters from American Accounting Association ("AAA"); American Institute of Certified Public Accountants ("AICPA"); Arbortext XML Solutions; Blastradius; Business Wire ("Bus Wire"); Capricorn Research; The Consortium of EDGAR Filing Agents and Software Developers ("CEFASD"); Steve Cushing; Deloitte & Touche LLP ("D&T"); EDGAR Online, Inc.; Ernst & Young LLP ("E&Y"); Federal Deposit Insurance Corporation; Federal Financial Institutions Examination Council; Financial Executives International ("FEI"); C.R. Fonseca; Grant Thornton LLP ("Grant Thornton"); Institute of Management Accountants ("IMA"); Investment Company Institute ("ICI"); KPMG LLP ("KPMG"); Eric Paul Linder ("Linder"); Microsoft Corporation ("MSFT"); James L. Nesfield; New York Society of Security Analysts ("NYSSA"); New York State Bar Association ("NYSBA"); PricewaterhouseCoopers LLP ("PWC"); PR Newswire Association LLC; Barry J. Reischling; and Spredgar Software ("Spredgar"). The public comments we received and a summary of the comments prepared by our staff are available for inspection in our Public Reference Room at 450 Fifth Street, NW, Washington, D.C. 20549, in File No. S7-35-04, or may be viewed at <http://www.sec.gov/rules/proposed/s73504.shtml>.

²⁵ See, for example, the letters from AAA, AICPA, CEFASD, E&Y, FEI, IMA and PWC.

²⁶ See, for example, the letters from AAA, AICPA, D&T, IMA, KPMG and MSFT.

where applicable in this release; otherwise we may consider these comments in the future based on our experience with the voluntary program.

We emphasize that we are in the preliminary phases of testing XBRL and we may amend the voluntary program as the technology becomes more mature and based on our experience with the program.

II. THE AMENDMENTS

In conjunction with establishing the voluntary filing program, we are adding new Rule 401 to Regulation S-T that will allow filers, on a voluntary basis, to furnish supplemental financial information using XBRL. The revision to Rule 11 of Regulation S-T, adopted as proposed, makes “XBRL-Related Documents” a defined term that means documents related to presenting financial information in XBRL format that are part of a voluntary submission in electronic format in accordance with new Rule 401. New Rule 401 generally provides that a registrant participating in the voluntary program (a “volunteer”) may submit XBRL-Related Documents in electronic format if they meet all the conditions of the rule. Appendix L to the EDGARLink Filer Manual will provide instructions and guidance on the preparation, submission, and validation of EDGAR-acceptable electronic filings with attached XBRL-Related Documents.²⁷ The EDGAR system upgrade to Release 8.10 is scheduled to become available on February 7, 2005 to,

²⁷ Rule 301 of Regulation S-T, the regulation that governs the preparation and transmission of electronic filings on the Commission's EDGAR system, requires electronic filings to be prepared in accordance with the provisions of the EDGAR Filer Manual. The Filer Manual contains the technical formatting requirements for electronic submissions. Filers must comply with those requirements to ensure the timely receipt and acceptance of documents submitted to the Commission in an electronic format. See the companion EDGAR Filer Manual adopting release (Release No. 33-8528 (Feb. 3, 2005)) updating the EDGAR Filer Manual to reflect EDGAR Release 8.10.

among other things, enable EDGAR to process XBRL-Related Documents when the voluntary program becomes effective on March 16, 2005.²⁸

A. Form of XBRL Submissions

The amendments require that volunteers furnish XBRL-Related Documents as an exhibit to either the Exchange Act or Investment Company Act filing from which they were derived, or as an exhibit to a filing on Form 8-K²⁹ or Form 6-K,³⁰ as applicable, that references, and is submitted no earlier than, the related filing.³¹ The Forms 8-K and 6-K alternative does not apply to volunteers that are registered management investment companies because they are generally not eligible to file those forms.³² XBRL-Related Documents will be identifiable as Exhibit 100 to the corresponding filing.

B. Description of XBRL Data

Rule 401, as adopted, contains three requirements for disclosure that must appear in the filing with which the XBRL-Related Documents are submitted. These requirements were not included in the rule as proposed. First, Rule 401 requires

²⁸ These submissions will be required to be made in accordance with the EDGAR Filer Manual and the exhibit provisions of Item 601(b) (100) of Regulation S-K or S-B, revised Form 20-F, revised Form 6-K or Rule 8b-33 under the Investment Company Act, as applicable. As proposed, the items and rule will list the Exchange Act and Investment Company Act filings, in addition to Forms 20-F and 6-K, with which volunteers can submit XBRL-Related Documents. We are adopting as proposed revisions to Rules 8b-1 and 8b-2 under the Investment Company Act to reflect the addition of Rule 8b-33. Finally, we are adopting as proposed the revision to Rule 305(b) of Regulation S-T to exempt the submissions from the formatting requirements of Rule 305(a) because the formatting requirements are unnecessary in this context.

²⁹ 17 CFR 249.308. Commenters supported allowing volunteers to furnish XBRL data in a Form 8-K. See, for example, the letters from CEFASD and KPMG.

³⁰ As proposed, we are revising Form 6-K to permit submission of XBRL-Related Documents as Exhibit 100.

³¹ As noted in the Proposing Release, in addition to domestic issuers, the voluntary program is available to foreign private issuers that otherwise file their primary financial statements in accordance with U.S. GAAP.

³² See Rules 13a-11(b) and 15d-11(b) under the Exchange Act. [17 CFR 240.13a-11(b) and 240.15d-11(b)].

volunteers to describe the XBRL-Related Documents (whether they are filed as an exhibit to the related official filing or to a Form 8-K or Form 6-K that references such filing) either as “unaudited” or, for quarterly financial statements, “unreviewed.” Second, Rule 401 requires volunteers to provide cautionary language advising investors that the purpose of furnishing XBRL data is to test the format and the technology and, as a result, investors should not rely on the XBRL data in making investment decisions. This additional disclosure will complement the similar cautionary statements we plan to add to our Web site as described in the Proposing Release. Finally, Rule 401 provides that, if a reason to file a Form 8-K or Form 6-K or an amendment to a Form 8-K or Form 6-K is to submit as an exhibit XBRL-Related Documents that present information related to financial information filed as part of a different filing (e.g., a Form 8-K that references a previously filed Form 10-Q³³), volunteers must reference the official filing from which the data in the XBRL-Related Documents was derived.³⁴ These disclosures should be provided, as applicable, in:

³³ 17 CFR 249.308a.

³⁴ The disclosure requirement also addresses the concern of one commenter (CEFASD) about a Form 8-K whose sole purpose is to accompany an XBRL Exhibit 100. The commenter noted that in such circumstances, if the exhibit were removed, the surviving, disseminated cover page would contain no useful information. The commenter recommended that in such circumstances, the Commission should suspend the entire filing. Although it would not be feasible to suspend the entire filing, the required disclosures would clearly identify the purpose of the filing. In this regard, we note that even without the purpose disclosure requirement, a form with an exhibit list would refer to Exhibit 100 and that would identify the intent to submit XBRL data.

- the exhibit index of the Forms 10-K,³⁵ 10-Q, 10,³⁶ 10-SB,³⁷ 10-KSB,³⁸ 10-QSB³⁹ or 20-F,
- Item 2.02 or 8.01 of Form 8-K, or
- the body of the Forms 6-K, N-CSR⁴⁰ or N-Q.⁴¹

We received several comments and recommendations regarding disclosure about furnishing XBRL data.⁴² One commenter agreed that it is reasonable to require registrants to describe the official filings to which the XBRL exhibits correspond because investors may not be aware that Exhibit 100 reflects XBRL data.⁴³ Another commenter⁴⁴ recommended that volunteers submit a letter describing management's basic decisions involving the use of taxonomies and policies about creating instance documents, including the correlation to printed financial statements and other relevant resources, the selection of taxonomies, additions and adjustments to the base taxonomy or taxonomies,

³⁵ 17 CFR 249.310.

³⁶ 17 CFR 249.210.

³⁷ 17 CFR 249.210b.

³⁸ 17 CFR 249.310b.

³⁹ 17 CFR 249.308b.

⁴⁰ 17 CFR 249.331 and 274.128.

⁴¹ 17 CFR 249.332 and 274.130.

⁴² See the letters from AICPA, E&Y and PWC.

⁴³ See the letter from AICPA.

⁴⁴ See the letter from PWC.

and the level of tagging detail.⁴⁵ Another commenter believed that volunteers should be encouraged to disclose:

- that the financial information in the XBRL-Related Documents is appropriately tagged,
- the source of the tagged information (e.g., the financial statements, MD&A),
- the extent of tagging used, including whether there have been any changes in the extent of tagging or the use of extensions as compared to XBRL-Related Documents furnished for previous fiscal periods, and
- whether any extensions meet the XBRL International technical specification.⁴⁶

To facilitate participation, we have decided not to require such disclosure for the voluntary program; however, we encourage volunteers to provide the additional disclosure recommended by the commenters.

C. Timing of XBRL Submissions

The XBRL-Related Documents may be submitted at the same time as the official EDGAR filing to which they relate, either as an exhibit to the official filing or, for operating companies, as an exhibit to a Form 8-K or Form 6-K⁴⁷ filed simultaneously.

Alternatively, the XBRL-Related Documents may be filed subsequent to the official EDGAR filing to which they relate, either in a later amendment to the official filing or,

⁴⁵ As noted in Section I of this release, an XBRL taxonomy is intended to be a standard description and classification system for business reporting and financial data. An instance document, which is a machine readable form, pairs a tag from the taxonomy with the related piece of financial information. For additional detail regarding instance documents, see Section II.C.1 of the Proposing Release.

⁴⁶ See the letter from E&Y.

⁴⁷ As further discussed below, XBRL-Related Documents will not be deemed filed or incorporated by reference regardless of whether they are exhibits to a document incorporated by reference into another filing (e.g., an XBRL exhibit to a Form 10-K filing will not be incorporated into a Form S-3 [17 CFR 239.13] registration statement even though other portions of the Form 10-K are so incorporated).

for operating companies, as an exhibit on Form 8-K or Form 6-K. Volunteers will not be permitted to submit the XBRL-Related Documents before they file the related official document. Although the amendments do not establish a deadline for submitting or amending XBRL data, volunteers are encouraged to submit the XBRL-Related Documents with the official document or shortly after the official document is filed. Volunteers will be free to submit their XBRL exhibits regularly or from time to time and can stop or start as they choose. If a volunteer amends the XBRL-Related Documents it submitted earlier, it should amend the filing to which the XBRL-Related Documents are attached as an exhibit.⁴⁸

Many commenters asserted that allowing volunteers to submit their XBRL-tagged financial statements after they file the related official filing will be important to securing volunteers.⁴⁹ Commenters recommended that a reasonable period of time be allowed for submitting XBRL-Related Documents and suggested periods typically ranging from 30 days up to 90 days.⁵⁰ One commenter recommended that no deadline be required.⁵¹ Other commenters approved of a delay, but did not specify a time period.⁵²

As proposed, we have not implemented a submission deadline for furnishing XBRL data. One of the reasons for this decision is that volunteers may wish to furnish

⁴⁸ For example, if the volunteer submitted XBRL data with a Form 8-K, it should amend the Form 8-K. A volunteer must amend XBRL-Related Documents it submitted earlier if they did not comply with the content and format requirements of new Rule 401.

⁴⁹ See, for example, the letters from AAA, AICPA, Blastradius, CEFASD, E&Y, IMA, KPMG, MSFT and PWC.

⁵⁰ See, for example, the letters from AAA, Blastradius and IMA.

⁵¹ See the letter from MSFT.

⁵² See, for example, the letter from D&T.

XBRL-Related Documents that relate to historical financial information from their previous Commission filings. While it would be preferable for registrants to submit all XBRL-Related Documents promptly, data elements in the submission would include date information and the voluntary program includes safeguards against reliance on the data. In addition, we recognize that registrants may be discouraged from participating in the voluntary program if we impose deadlines, especially during the early stages of the program when volunteers are testing the technology.

Some commenters recommended that rather than amend submissions, the volunteers be allowed to “withdraw” them from EDGAR.⁵³ However, submissions to EDGAR cannot, as a practical matter, be withdrawn after public dissemination.

D. Official Filings Still Required

The XBRL-Related Documents submitted in the voluntary program will be supplemental submissions and will not replace the required HTML or ASCII version of the financial information they contain. Volunteers will be required to continue to file their official EDGAR filings.

E. Voluntary Program Content and Format

XBRL-Related Documents must contain only voluntary program content (“Voluntary Program Content”) that appears in voluntary program format (“Voluntary Program Format”) as further described below.

Voluntary Program Content must consist of mandatory content (“Mandatory Content”) and may be accompanied by optional content (“Optional Content”).

⁵³ See the letters from AICPA, E&Y and NYSBA.

Mandatory Content consists of a complete set of information for all periods presented in the corresponding official EDGAR filing from one or more of the following categories (as filed in the corresponding official EDGAR filing):⁵⁴

- the complete set of financial statements (the only exceptions are that notes to the financial statements and schedules related to the financial statements may be omitted⁵⁵ unless the volunteer is a registered management investment company, in which case it must include *Schedule I – Investments in Securities of Unaffiliated Issuers*);⁵⁶
- earnings information set forth in Form 6-K or Items 2.02 or 8.01 of Form 8-K (whether contained in the body of the Form 8-K or Form 6-K or in an exhibit, and whether filed or furnished); or
- financial highlights or condensed financial information⁵⁷ (if the volunteer is a registered management investment company).

Optional Content can consist only of a complete set of information that is:

- for all periods presented in the corresponding official EDGAR filing;

⁵⁴ Although volunteers may furnish data as Mandatory Content from certain specific categories of financial information in the corresponding official EDGAR filing in XBRL format (e.g., financial statements only, omitting notes), the financial information in the specific category provided in XBRL format must be complete (e.g., if the financial statements are provided, income statement, balance sheet, cash flows and equity statements must all be submitted).

⁵⁵ In the Proposing Release at note 47, we stated that financial statements other than those for investment company volunteers should not include the related schedules when submitted as XBRL-Related Documents in the voluntary program. In order to provide additional testing opportunities, however, we are permitting operating companies to provide these schedules in the voluntary program. We further discuss below related schedules of investment companies.

⁵⁶ Rule 12-12 of Regulation S-X [17 CFR 210.12-12].

⁵⁷ Item 8(a) of Form N-1A, Item 4.1 of Form N-2 and Item 4(a) of Form N-3 [17 CFR 274.11A, 274.11a-1 and 274.11b]. Forms N-1A, N-2 and N-3 also are authorized under the Securities Act of 1933 (“Securities Act”) [15 U.S.C 77a et seq.] under 17 CFR 239.15A, 239.14 and 239.17a.

- related to financial information in the corresponding official EDGAR filing that is simultaneously submitted as Mandatory Content; and
- from one or more of the following categories (as filed in the corresponding official EDGAR filing):⁵⁸
 - audit opinions;⁵⁹
 - interim review reports;⁶⁰
 - reports of management on the financial statements;
 - certifications; or
 - Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”),⁶¹ Management’s Discussion and Analysis or Plan of Operation,⁶² Operating and Financial Review and Prospects⁶³ or Management’s Discussion of Fund Performance (“MDFP”).⁶⁴

⁵⁸ Although volunteers may furnish data as Optional Content from certain specific categories of information in the corresponding official EDGAR filing in XBRL format (e.g., MD&A), the information in the specific category provided in XBRL format must be complete (e.g., if MD&A is provided, all the MD&A in the corresponding official EDGAR filing must be submitted).

⁵⁹ Rule 2-02 of Regulation S-X [17 CFR 210.2-02].

⁶⁰ Rule 10-01(d) of Regulation S-X [17 CFR 210.10-01(d)].

⁶¹ Item 303 of Regulation S-K [17 CFR 229.303].

⁶² Item 303 of Regulation S-B [17 CFR 228.303].

⁶³ Item 5 of Form 20-F.

⁶⁴ Item 22(b)(7) of Form N-1A.

Voluntary Program Content is in Voluntary Program Format if:

- each data element (i.e., all text and all line item names and associated values, dates and other labels) contained in the XBRL-Related Documents reflects the same information in the corresponding official EDGAR filing (i.e., the HTML or ASCII version);
- no data element in the corresponding official EDGAR filing is changed, deleted or summarized in the XBRL-Related Documents;
- the XBRL-Related Documents correlate to the appropriate version of a standard taxonomy, supplemented with extension taxonomies as specified in the EDGAR Filer Manual;
- each data element contained in the XBRL-Related Documents is matched with the appropriate tag in accordance with any applicable taxonomy; and
- the XBRL-Related Documents contain any additional mark-up related content (e.g., the XBRL tags themselves, identification of the core XML documents used and other technology related content) not found in the corresponding official EDGAR filing that are necessary to comply with the EDGAR Filer Manual requirements.

We had proposed to require volunteers to furnish in XBRL format a complete set of financial statements, including notes to the financial statements. This approach would have provided a comprehensive test of the capacity of the XBRL format for financial information to replicate the HTML and ASCII versions. The proposal also asked for comment on whether volunteers should be permitted to omit the notes to the financial statements. Many commenters disagreed with the proposal to require a complete set of

the notes to the financial statements in XBRL format.⁶⁵ Several commenters expressed the view that the taxonomy development of the notes to the financial statements is not detailed enough in the standard taxonomies to facilitate easy tagging.⁶⁶ As a result, commenters generally believed that volunteers would need to create substantial extensions, which would be burdensome and could discourage registrants from participating in the program.⁶⁷ Several commenters recommended allowing volunteers to submit financial statements in XBRL format that omit the notes to the financial statements.⁶⁸ Other commenters indicated that the notes to the financial statements should be included in XBRL format, noting, however, that the Commission could limit the notes required to be tagged or allow the use of a single tag for all notes.⁶⁹ Some commenters recommended that volunteers be afforded flexibility in determining the level of detail to which the notes to the financial statements are tagged.⁷⁰

Although we consider the notes to the financial statements to be an integral part of the financial statements for filing purposes, we have determined not to mandate them for purposes of the voluntary program. Recognizing the technical issues presented by tagging the notes to the financial statements, and in light of the other safeguards in the rules, we are providing volunteers with additional flexibility to determine whether or not

⁶⁵ See the letters from AAA, AICPA, D&T, IMA, KPMG and MSFT.

⁶⁶ See, for example, the letters from AICPA, D&T, KPMG and PWC.

⁶⁷ See, for example, the letters from D&T and KPMG.

⁶⁸ See, for example, the letters from AICPA, D&T, KPMG and MSFT.

⁶⁹ See, for example, the letters from CESFASD (allow a single tag for all notes) and PWC (limit the notes required to be tagged).

⁷⁰ See, for example, the letters from AICPA, D&T, E&Y and KPMG.

to include the notes to the financial statements. If volunteers do choose to tag the notes to the financial statements in their XBRL-Related Documents, they must tag all the notes so that they meet the requirements of Voluntary Program Content. Representing the entire set of notes to the financial statements with a single tag does not appear to be useful to users because of the difficulty of consuming such a large volume of data in that format. Consequently, we encourage volunteers that choose to tag the notes to the financial statements to tag at a level that provides practical data to users and furthers the goal of testing the capabilities of the XBRL technology.

As proposed, investment company volunteers would have been required to submit the schedules related to the financial statements when submitting the financial statements in XBRL format. One commenter voiced the concern that, because the XBRL taxonomy for investment companies may not be sufficiently developed to support tagging of these schedules, requiring inclusion of the related schedules would force investment company volunteers to create a substantial set of taxonomy extensions, which would discourage participation in the program.⁷¹ We generally agree and have modified the rules to limit the related schedules that registered management investment company volunteers must submit in XBRL format with the financial statements to *Schedule I – Investments in Securities of Unaffiliated Issuers*.⁷² We believe that this schedule must be provided in XBRL format because the information is critical to an understanding of investment

⁷¹ See the letter from ICI.

⁷² Registered management investment company volunteers may, but are not required to, submit other related schedules in XBRL format with financial statements in XBRL format including the following: *Schedule II – Investments – other than securities* [17 CFR 210.12-13]; *Schedule III – Investments in and advances to affiliates* [17 CFR 210.12-14]; *Schedule IV – Investments – securities sold short* [17 CFR 210.12-12A]; *Schedule V – Open option contracts written* [17 CFR 210.12-12B]; and *Schedule VI – Summary schedule of investments in securities of unaffiliated issuers* [17 CFR 210.12-12C].

company financial statements and to testing the XBRL program with regard to investment company filings.

Some commenters requested clarification of the requirement to provide XBRL data containing the “same information” as in the official filing to which it relates.⁷³ In response to these comments, as discussed above, we have revised proposed Rule 401 to provide more detailed specification of the various respects in which the information in the XBRL-Related Documents must be the “same” as that in the official filing to which it relates. We have explained that no information in the corresponding official filing may be deleted, changed or summarized in the XBRL format. For example, if the revenue line item in the related official filing’s income statement is broken down into different segments, the XBRL data must also contain the revenue line items for each segment; the volunteer cannot only include the total revenue line item. If a volunteer submits MD&A or MDFP in XBRL format, all text in addition to the tables and schedules must be tagged. We did not take the approach suggested by some commenters to require that the XBRL data be “consistent with”⁷⁴ or “materially the same”⁷⁵ as the official filing because we believe that this could cause uncertainty, reduce the disclosure provided in an XBRL format, and impair our pursuit of the objectives of the voluntary program.

One commenter recommended that the voluntary program exclude XBRL tagging of earnings releases, selected financial data and schedules of ratio of earnings to fixed charges because there are no clear standards regarding the content and presentation of

⁷³ See, for example, the letters from AICPA, D&T, NYSBA and PWC.

⁷⁴ See the letters from D&T and PWC.

⁷⁵ See the letter from NYSBA.

such information.⁷⁶ This commenter also was concerned that some volunteers may interpret the proposed rule to allow XBRL-Related Documents to contain partial financial presentations so long as the elements of such a presentation are “the same information” as presented in (i.e., consistent with) the complete set of annual or interim financial statements or in MD&A. As noted above, we have clarified that partial financial presentations are not permissible content for XBRL submissions. Also, in view of the goals of the voluntary program to test and evaluate data tagging, we would like to test a wide variety of XBRL data. Therefore, volunteers will be able to present, among other information, earnings information, MD&A, MDFP, financial highlights, management or accounting reports and certifications⁷⁷ in XBRL format.

F. XBRL Data Must Correlate to Standard XBRL Taxonomies

The voluntary program requires all volunteers to use the appropriate version of a standard taxonomy, supplemented with extension taxonomies as specified by the EDGAR Filer Manual. The XBRL Consortium has publicly announced that it will finalize the following standard taxonomies, which have all completed at least one review and comment period, by the end of the first quarter of 2005:⁷⁸

⁷⁶ See the letter from E&Y.

⁷⁷ Commenters generally supported not requiring certifications. See, for example, the letters from AAA, AICPA, CEFASD, D&T, E&Y, FEI, IMA, KPMG, MSFT, NYSBA, and PWC. Several commenters further suggested that volunteers should be allowed to submit certifications. See, for example, the letters from AICPA, D&T, IMA and PWC.

⁷⁸ The XBRL Consortium has publicly announced that it will finalize the Commercial and Industrial, Banking and Savings Institutions and Insurance standard taxonomies by February 28, 2005. It also has publicly announced that it will finalize the Investment Company taxonomy by March 31, 2005. See <http://www.xbrl.org>.

- Commercial and Industrial;⁷⁹
- Banking and Savings Institutions;
- Insurance; and
- Investment Companies.⁸⁰

We have chosen March 16, 2005 as the effective date for the program, since this is the date by which accelerated filers with December 31 fiscal year ends are required to file their Form 10-Ks. We will provide notice on our Web site of the taxonomies supported for the voluntary program and expect that additional standard taxonomies will be permitted on the EDGAR system as they are finalized.⁸¹ The final standard taxonomies will be incorporated into the EDGAR system and volunteers may not attach the standard taxonomies to filings made on EDGAR.

Commenters generally believed that the draft U.S. GAAP taxonomies are sufficiently developed for use in the voluntary program, but acknowledged that most volunteers will need to create extensions to meet their reporting requirements.⁸² Some commenters believed there are sufficient software tools available in the market to create such extensions, but noted that the software requires further development for satisfactory

⁷⁹ This taxonomy has detailed financial reporting elements specific to commercial and industrial-type companies. If a registrant is not a bank, savings institution, insurance company, broker-dealer or investment company, it would likely use the commercial and industrial standard taxonomy. See <http://www.xbrl.org>.

⁸⁰ The investment companies taxonomy was released for public comment on December 21, 2004 with a request for comments to be submitted by January 20, 2005.

⁸¹ Commenters noted that they were unaware of any other standard taxonomies that are sufficiently developed to support Commission submissions. Some commenters noted that the Commission may wish to consider allowing volunteers to use International Financial Reporting Standards, formerly known as International Accounting Standards, taxonomies as a means of encouraging non-U.S. issuers to participate. See the letters from AAA, CEFASD, FEI, IMA, MSFT and PWC. We are continuing to consider this suggestion.

⁸² See, for example, the letters from AAA, AICPA, FEI, IMA, KPMG, MSFT and PWC.

end-user implementation.⁸³ One commenter, while strongly supporting the voluntary program, recommended that the XBRL specification for the standard taxonomies be changed to eliminate the required use of what the commenter described as its complex proprietary structure.⁸⁴ This commenter believed that the full XBRL specification will not be useful to financial analysts because the customized extensions must be analyzed to determine comparability among companies. We expect that the voluntary program will enable us to better analyze the adequacy of the standard taxonomies and whether it would be desirable to develop our own taxonomy for some or all regulatory reporting requirements.⁸⁵

G. Use of Tagged Data

As discussed in the Proposing Release, we had considered developing an application, such as a standard style sheet, so that users would be able to view XBRL data in a human readable format on our Web site. This application would have converted XBRL files into a document that would have the appearance of traditional financial information, such as a balance sheet or income statement.

Commenters generally did not support a standard style sheet.⁸⁶ Some commenters believed that a standard style sheet was not feasible because it would not be able to

⁸³ See, for example, the letters from AAA, AICPA, IMA, MSFT and PWC.

⁸⁴ See the letter from Linder.

⁸⁵ The letter from AAA noted that the Commission should develop a small taxonomy that covers the key reporting elements.

⁸⁶ See, for example, the letters from AAA, CEFASD, IMA, KPMG and PWC. One commenter, however, stated that the Commission should provide a standard template to render information and allow participants to provide their own company specific presentation template. See the letter from Grant Thornton.

render extensions.⁸⁷ A style sheet that could not render extensions would not display all the information tagged from the corresponding official EDGAR filing.

We have decided to commence the voluntary program without providing a style sheet or other rendering application on our Web site. Users of EDGAR data on <http://www.sec.gov> will be able to download the XBRL data to perform their own financial analysis if they have appropriate software.⁸⁸ We plan to continue to analyze rendering and other capabilities and we may add these features in the future. Users will continue to be able to view the official filing in ASCII or HTML format, as they can today.

H. Liability Issues

Because the voluntary program is experimental, contains other appropriate safeguards, and should not unnecessarily deter volunteers from participating, the revised rules provide limited protections from liability under the federal securities laws. Commenters generally supported the proposed liability protections;⁸⁹ however, several commenters requested clarification as further discussed below. Accordingly, we are adopting Rule 402 as proposed with minor clarifying revisions.⁹⁰

Rule 402(a) generally will provide that XBRL-Related Documents submitted in the program:

⁸⁷ See the letters from CEFASD, IMA and KPMG.

⁸⁸ See the letters from Blastrand and FEI.

⁸⁹ See, for example, AAA, AICPA and FEI.

⁹⁰ This rule will not affect in any way participants' existing obligations with respect to official filings. The official financial information required to be filed by participants in HTML or ASCII will continue to be subject to the liability provisions of the federal securities laws.

- are not deemed filed for purposes of Section 18 of the Exchange Act⁹¹ or Section 34(b) of the Investment Company Act⁹² or otherwise subject to the liability of these sections;⁹³
- are not deemed incorporated by reference;⁹⁴
- are subject to all other liability and anti-fraud provisions of the Exchange Act and Investment Company Act;⁹⁵ and
- are deemed filed for purposes of Rule 103 of Regulation S-T.⁹⁶

Rule 402(b) provides additional relief from liability under the Securities Act, Exchange Act, Public Utility Holding Company Act, Trust Indenture Act and Investment Company Act for information in a volunteer's XBRL-Related Documents that complies with the content and format requirements of Rule 401, to the extent that the information

⁹¹ 15 U.S.C 78r.

⁹² 15 U.S.C. 80a-33(b). We modified proposed Rule 402(a) by omitting references to the XBRL-Related Documents as not deemed filed under Section 16 of the Public Utility Holding Company Act of 1935 ("Public Utility Holding Company Act") [15 U.S.C. 79p] and Section 323 of the Trust Indenture Act of 1939 ("Trust Indenture Act") [15 U.S.C. 77www]. We omitted these references as unnecessary because XBRL-Related Documents only will be submitted as exhibits to filings under the Exchange Act and the Investment Company Act.

⁹³ We will caution users on the Commission's Web site that, although XBRL-Related Documents are required to comply with format and content requirements related to the corresponding official filing, the purpose of submitting the XBRL-Related Documents is to test the related format and technology and, as a result, investors and others should continue to rely on the official version of the filing and not rely on the XBRL-Related Documents in making investment decisions.

⁹⁴ Because the XBRL-Related Documents will not be filed under the Exchange Act, they will not be incorporated by reference into registration statements filed under the Securities Act or prospectuses they contain. These protections will apply regardless of whether the documents are exhibits to a document otherwise incorporated by reference into a filing.

⁹⁵ For example, material misstatements or omissions in an XBRL submission will continue to be subject to liability under Section 10(b) [15 U.S.C. 78j(b)] and Rule 10b-5 [17 CFR 240.10b-5] under the Exchange Act.

⁹⁶ 17 CFR 232.103. Rule 103 generally provides that an electronic filer is not subject to liability as to an error or omission in an electronic filing resulting solely from electronic transmission errors beyond the control of the filer if the filer corrects the problem through an amendment as soon as reasonably practicable after the filer becomes aware of the problem.

in the corresponding portion of the official EDGAR filing was not materially false or misleading.⁹⁷

Rule 402(b) also provides additional relief from liability to volunteers that fail to comply with the content and format requirements of Rule 401 if:

- the volunteer has made a good faith and reasonable attempt to comply with the content and format requirements,
- as soon as reasonably practicable after the volunteer becomes aware that the information in the XBRL-Related Documents does not comply with the content and format requirements, the volunteer amends the XBRL-Related Documents to correct the problem, and
- the information in the corresponding official EDGAR filing was not materially false or misleading.

As discussed earlier, several commenters asked us to clarify the reference in proposed Rule 402(b) to presenting information in the XBRL-Related Documents that “reflects the same information as appears in the corresponding portion of the official version of the filing to which they relate.”⁹⁸ Accordingly, Rule 402(b), as adopted, clarifies the reference by specifying that the information must comply with the content and format requirements of Rule 401.

⁹⁷ XBRL-Related Documents that do not meet the requirements for the relief provided by Rule 402(b) still would receive the relief provided by Rule 402(a). In adopting Rule 402(a) we changed our proposal to remove references to liability relief under the Securities Act, Public Utility Holding Company Act and Trust Indenture Act because XBRL-Related Documents cannot be submitted under those Acts. We maintained these references in Rule 402(b), however, because, unlike Rule 402(a), Rule 402(b)’s protections are not tied to filing status.

⁹⁸ See, for example, the letters from AICPA, D&T, NYSBA and PWC.

One commenter asserted that proposed Rule 402(b) established a “negligence” standard and suggested that we establish an “actual knowledge” standard instead. We have decided to adopt the standard as proposed. A volunteer that fails to satisfy Rule 402(b) still may rely on the liability protections of Rule 402(a). In addition, the Commission has provided similar protections to those in Rule 402 in other appropriate circumstances and it appears that these protections are workable for filers in those circumstances.⁹⁹

Finally, for purposes of the voluntary program, new paragraph (f) of Rules 13a-14 and 15d-14 under the Exchange Act and new paragraph (d) of Rule 30a-2 under the Investment Company Act provide that XBRL-Related Documents are not subject to the certification requirements of these rules.¹⁰⁰

One commenter voiced concern that investment companies would be discouraged from participating in the voluntary program if they were required to provide additional certifications when filing amendments whose sole purpose was to submit XBRL-Related Documents attached as exhibits.¹⁰¹ The commenter emphasized that the concern applied to investment companies in particular because operating companies can file a Form 8-K rather than an amendment to submit XBRL-Related Documents after the corresponding

⁹⁹ See, for example, General Instruction B.2 of Form 8-K (“The information in a report furnished pursuant to Item 2.02 (Results of Operations and Financial Condition) or Item 7.01 (Regulation FD Disclosure) shall not be deemed to be ‘filed’ for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section unless the registrant specifically states that the information is to be considered ‘filed’ under the Exchange Act or incorporates it by reference into a filing under the Securities Act or Exchange Act.”).

¹⁰⁰ As a result of recently adopted rule revisions, we are adopting new paragraph (f) rather than the proposed new paragraph (h) of Rules 13a-14 and 15d-14. After we issued the Proposing Release, we adopted amendments to Rules 13a-14 and 15d-14, effective March 8, 2005, that, among other things, remove paragraphs (f) and (g) of these rules. Consequently, in order to add a new last paragraph to each of these rules, we add paragraph (f). See Release No. 33-8518 (Dec. 22, 2004) [70 FR 1506].

¹⁰¹ See the letter from ICI.

official EDGAR filing has been filed. Rule 12b-15 under the Exchange Act¹⁰² and Rule 8b-15 under the Investment Company Act¹⁰³ generally provide that any amendment to a filing that required a certification must contain another certification. We clarify that, consistent with the exclusion of XBRL-Related Documents from the disclosure certification requirements discussed above, an amendment whose sole purpose is to submit XBRL-Related Documents attached as exhibits for the voluntary program is not subject to the certification requirements of Rule 12b-15 under the Exchange Act and Rule 8b-15 under the Investment Company Act.

Two of the items these certifications must address are internal control over financial reporting and disclosure controls and procedures.¹⁰⁴ In this regard, several commenters asked us to clarify that XBRL-Related Documents are not subject to the internal control over financial reporting and disclosure controls and procedures provisions¹⁰⁵ that we have adopted after passage of the Sarbanes-Oxley Act.¹⁰⁶ We clarify that, for purposes of the voluntary program and consistent with the exclusion of XBRL-Related Documents from the disclosure certification requirements discussed above, XBRL-Related Documents are not subject to any of the internal control over

¹⁰² 17 CFR 240.12b-15.

¹⁰³ 17 CFR 270.8b-15.

¹⁰⁴ See, for example, Item 601(b)(31)(i) of Regulation S-K [17 CFR 229.601(b)(31)(i)].

¹⁰⁵ See Exchange Act Rule 13a-15(e) and Investment Company Act Rule 30a-3(c) (defining “disclosure controls and procedures”) and Exchange Act Rule 13a-15(f) and Investment Company Act Rule 30a-3(d) (defining “internal control over financial reporting”) [17 CFR 240.13a-15(e), 270.30a-3(c), 240.13a-15(f) and 270.30a-3(d)].

¹⁰⁶ See, for example, the letters from E&Y (addressing internal control over financial reporting) and NYSBA (addressing internal control over financial reporting and disclosure controls and procedures).

financial reporting provisions adopted under Section 404 of the Sarbanes-Oxley Act or the disclosure controls and procedures provisions.¹⁰⁷

III. PAPERWORK REDUCTION ACT

The new and amended rules contain “collection of information” requirements within the meaning of the Paperwork Reduction Act of 1995 (“PRA”).¹⁰⁸ We published a notice requesting comment on the collection of information requirements in the Proposing Release, and submitted a request to the Office of Management and Budget (“OMB”) for review in accordance with the PRA.¹⁰⁹ OMB approved the request on a pilot basis. An agency may not conduct or sponsor, and a person is not required to respond to, an information collection unless it displays a currently valid OMB control number.

The title of the new collection of information is “Voluntary XBRL-Related Documents” (OMB Control No. 3235-0611). This collection of information stems from already existing regulations and forms adopted under the Exchange Act and Investment Company Act that set forth financial disclosure requirements for annual and periodic reports as well as current reports.¹¹⁰ The new and amended rules will allow registrants to furnish specified financial information in XBRL-Related Documents as exhibits to their

¹⁰⁷ Section 404 and the rules we have adopted under that section do not apply to registered management investment companies.

¹⁰⁸ 44 U.S.C. 3501 et seq.

¹⁰⁹ 44 U.S.C. 3507(d) and 5 CFR 1320.11.

¹¹⁰ The proposed voluntary program allows for XBRL-Related Documents to be furnished in connection with Exchange Act registration through Forms 10, 10-SB and 20-F. We expect, however, that volunteers for the program will already be subject to Exchange Act reporting requirements and, as a result, do not include an analysis relating to Forms 10 and 10-SB or, to the extent it can be used to for Exchange Act registration, Form 20-F.

current or periodic reports filed on EDGAR. The specified financial information already is required under existing periodic and annual report requirements, but will be tagged using XBRL. During the voluntary program, registrants will continue to include this information in ASCII or HTML format in their official EDGAR filings, but also will furnish the XBRL tagged data as exhibits to these filings. The XBRL-Related Documents will consist of an instance document, a schema file,¹¹¹ and linkbase files.¹¹² Submission of XBRL-Related Documents will be voluntary and the information submitted will not be kept confidential.

We estimate for PRA purposes that each of 80 participants will submit four sets of XBRL-Related Documents per year that will result in an internal preparation burden of 60 hours per year and an external cost of \$6,333 per year.¹¹³ We base this estimate on discussions regarding XBRL and data tagging in general.¹¹⁴

¹¹¹ The XBRL data file that a participant creates can adhere to either a standard taxonomy or a standard taxonomy with extensions. Extensions to the standard taxonomy further refine the data contained in the standard taxonomy so that the XBRL data can present the information in the corresponding official EDGAR filing. Such extensions would be included in a schema file. For additional detail regarding schema files, see Section II.C.2 of the Proposing Release.

¹¹² Linkbase files, in general, manage references, labels and relationships for an instance document. For additional detail regarding linkbase files, see Section II.C.3 of the Proposing Release.

¹¹³ In our initial PRA request, our external cost estimate of \$6,000 focused on the cost of professionals and consultants. It is our understanding that many participants will also have annual software licensing costs. From further discussions with software providers and others familiar with XBRL, we estimate that the cost of licensing software will range from \$200 to \$3,000 each year, with the majority of companies licensing less complex XBRL software in the \$200 to \$500 range. We also understand from these discussions that software providers have indicated that they intend to provide these products for free in the initial stages of the voluntary program. In order to determine a price estimate, we base our software cost estimate at \$500, which is the highest cost for the simpler XBRL software license. We have further assumed that the first year license fee will be waived. Because the PRA estimates represent the average burden over a three-year period, we estimate the average burden for software license costs to be \$333 per year.

¹¹⁴ See Proposing Release Section VII.A.1 for a further description of our PRA estimate. We note that we expect 80 participants per year. The calculations presented in the description in the Proposing Release based on the expected number of participants per year were based on 80 participants a year.

Two commenters responded to our request for comments on the PRA.¹¹⁵ Neither commenter addressed specifically our actual estimates.

One commenter stated that our cost estimates are based on current manual processes, ignore costs to those other than preparers and do not address the cost savings the commenter expects will accrue in connection with preparation, distribution and analysis of financial information over time as XBRL and the process efficiencies it enables take hold. As to non-preparer costs, the commenter asserted that public accounting firms will need to invest in training and skill development to enable them to provide the assurance on XBRL data that the public ultimately will expect.¹¹⁶ These comments do not raise issues for our PRA estimates because our estimates are based on registrant costs.

Similarly, the other commenter asserted that our cost estimates fall short because they are based on the need of most registrants to automate what are today almost entirely manual reporting processes, take into account the cost to prepare but not consume information and omit anticipated cost savings over time as adoption of XBRL spreads to more internal and external processes of information exchange.¹¹⁷

We note that for PRA purposes we estimate the average yearly cost to a registrant that participates in the voluntary program over a three-year period.¹¹⁸ Consequently, our estimates are intended to reflect both initial cost and on-going cost over a three-year

¹¹⁵ See the letters from AICPA and PWC.

¹¹⁶ See the letter from AICPA.

¹¹⁷ See the letter from PWC.

¹¹⁸ While the PRA requires an estimate based on a hypothetical three years of participation, as noted earlier, a registrant could participate in the voluntary program by submitting XBRL data over a shorter period or even just once as the registrant chooses.

period. In calculating these costs, we have tried to take into account, among other things, the current state of reporting process automation, automation that likely would be introduced in connection with the initial cost incurred and the efficiencies that likely would be realized over the course of three years.

As reflected throughout this release, we also received comments, not specifically in response to the PRA, directed at the substance of the new and amended rules. As previously discussed, we have revised the proposals in response to these comments. As noted earlier, we are adding to proposed Rule 401 requirements to label XBRL data as “unaudited” or “unreviewed,” provide cautionary language concerning reliance on XBRL-Related Documents and, in some cases, reference the official filing from which XBRL data was derived. In this regard, we note the revision to proposed Rule 401 to make it optional, rather than required, to tag financial statement footnotes would reduce the burden.¹¹⁹ Therefore, on balance, we do not change our estimates.

Compliance with the amendments is mandatory for those who wish to participate in the voluntary program. There is no retention period for the information disclosed.

IV. COST-BENEFIT ANALYSIS

The adopted voluntary program reflects our desire to increase EDGAR’s efficiency and utility. The tagging of financial and other information submitted to us through EDGAR has the potential to improve the analysis of that information. In order to evaluate data tagging, we are allowing registrants to furnish XBRL-Related Documents as exhibits to their official EDGAR filings.

¹¹⁹ See Proposing Release, Part VII for a description of, and the burden estimates for, the voluntary program. We note that we expect 80 participants per year. The calculations presented in the description based on the expected number of participants per year were based on 80 participants a year.

A. Benefits

We believe that tagged financial information may allow more efficient and effective retrieval, research and analysis of financial information through automated means. The adopted voluntary program will assist us in assessing whether using XBRL tagged financial information enhances the analysis of financial information included in Commission filings. The voluntary program also will facilitate our ability to assess the technical requirements of processing XBRL-Related Documents using EDGAR.

Today, a number of companies use the financial information provided on EDGAR to create databases of tagged information that they resell to users of the information. Allowing registrants to tag their own financial data has the potential to reduce third party participation in the tagging process and may reduce the cost of access to tagged information. Data tagging by registrants may make the tagging process more accurate. Additionally, the voluntary program may benefit registrants and the public by permitting experimentation with data tagged using XBRL. In the future, increased availability of accurate, tagged financial information could reduce the cost of research and analysis and create new opportunities for companies that compile, provide and analyze data to provide more value added services. Enhanced access to tagged information has the potential to increase analyst coverage and investor interest in a registrant's securities, which could increase liquidity in the market and lower the cost of capital. These benefits, however, are difficult to quantify and may only be realized if a significant number of registrants provide data in XBRL format. Many of the commenters cited one or more of these or related potential benefits.

As to related benefits, commenters stated, among other things, that:

- XBRL will lower the cost of producing information through automation;¹²⁰
- XBRL will free resources from manual reporting to do work that adds value to the business;¹²¹
- XBRL-tagged data will motivate registrants to provide comparable information;¹²²
- registrants that use XBRL internally will have improved internal reporting processes;¹²³ and
- tagged data may assist auditors.¹²⁴

One commenter asserted that, in order to realize the benefit of enhanced financial analysis, XBRL must be revised by:

- restructuring the taxonomies to break down items into a more hierarchical format without alternative classification locations that can lead to non-comparable data;
- enabling end-users to validate and read the level of adherence to the standard industrial taxonomies without high-level XBRL processing; and

¹²⁰ See the letters from AICPA and PWC.

¹²¹ See the letter from PWC.

¹²² See the letters from AAA, D&T (market demand will encourage registrants to adopt financial reporting practices that increase comparability) and Spredgar (XBRL would produce comparable data across companies).

¹²³ See the letters from AAA, Bus Wire and IMA (creation of financial data in an XML-based language will prepare the registrant to re-use the data for internal reporting activities that might help the registrant improve its internal controls).

¹²⁴ See the letter from D&T (tagged data allows auditors to do better risk assessment and analytics and may allow systematic identification of unusual transactions the net result of which may be a more effective and efficient audit process).

- eliminating duplicate elements in the standard industrial taxonomies so end users can map to a spreadsheet template or EDGAR web site/style sheet without complex programming code.¹²⁵

Another commenter stated that the Commission should be able to assess more effectively whether the benefits of full-scale implementation justify the costs by taking steps in the initial implementation of XBRL to assess:

- how XBRL is being used by investors and analysts;
- whether the structure of the XBRL specification facilitates broad-based use by sophisticated users and third-party software developers; and
- whether adequate safeguards are in place to ensure that the data is prepared and disseminated correctly.¹²⁶

We acknowledge these commenters' concerns and suggestions. We plan to monitor the voluntary program accordingly.

B. Costs

The voluntary program will lead to some additional costs for registrants choosing to furnish XBRL-Related Documents as exhibits to their periodic and current reports. Some companies may already tag their financial information using XBRL, in which case the additional cost of submitting XBRL-Related Documents will be minimal. The proposals do not dictate that companies follow any particular procedure; however, some participants may choose to acquire additional software or hire consultants to assist them with data tagging. Based on discussions with software providers and others familiar with

¹²⁵ See the letters from Linder and NYSSA (supports these changes).

¹²⁶ See the letter from NYSSA.

XBRL, we estimate that between 60 and 100 registrants will participate in the voluntary program at an annual cost per registrant based on our PRA estimates.¹²⁷ Based on the foregoing discussion, we estimate the aggregate cost to registrants that choose to participate in the voluntary program will be between \$1,009,980 and \$1,683,300 in the first year.¹²⁸

Due to the recent development of the technology, we have had limited data to quantify the cost of implementing data tagging using XBRL. Further, methods of tagging data may vary considerably, making accurate cost estimates difficult. In the future, there may be additional costs to participants in the EDGAR data stream, including lower demand for data tagging and data dissemination. The availability of registrant tagged data, however, may provide these participants with alternative business opportunities.¹²⁹

In the Proposing Release, we sought comments and supporting data on our estimates. We received no comments specifically on the estimates we provided in our cost-benefit discussion.¹³⁰ Three commenters expressly cited software and personnel

¹²⁷ To determine the annual cost, assuming 80 registrants will participate, we estimate that the incremental burden would result in 4800 internal burden hours and \$506,640 in external costs including \$26,640 in software licensing costs. Assuming a cost of \$175 per hour for in-house professional staff, the total cost associated with internal burden hours would be \$840,000. Consequently, the PRA cost estimate is \$1,346,640 or \$16,833 per registrant. Proposing Release note 87 inadvertently overestimated the number of internal burden hours and, as a result, also overestimated the total in-house professional staff cost and the aggregate cost estimate on both per registrant and gross bases.

¹²⁸ Based on discussions with software providers and other familiar with XBRL, we believe that our initial estimate of software costs at \$3,000 per registrant is not an accurate assumption of the average cost to participants. We currently understand that annual software licensing costs will likely range between \$200 and \$3,000 and that a number of software providers intend to provide XBRL software free in the initial stages of the program. We have revised our PRA estimates to account for software licensing costs and no longer treat them separately in the cost-benefit analysis. The figures in this release correct the estimates provided in the Proposing Release.

¹²⁹ For example, an entity that traditionally has focused on data dissemination might be able to re-direct its data processing abilities to perform and sell analyses of registrant-tagged data.

¹³⁰ We note, however, the estimates we provided in our cost-benefit discussion were based on our PRA estimates that two commenters questioned as previously discussed in Section III.

costs as we did in the Proposing Release.¹³¹ Some commenters cited other specific types of costs.

For example, two commenters suggested that the initial cost of participating in the voluntary program would be significant.¹³² Two commenters suggested that costs would go down over time,¹³³ while one commenter stated that the costs would remain significant.¹³⁴

Two commenters emphasized that XBRL is complex. One commenter asserted that its complexity has the potential to cause errors in both preparation and dissemination of financial data.¹³⁵ The other commenter stated that the XBRL specification, though openly disclosed, is so complex that it virtually requires use of specialized software tools to create, access and validate data and, as a result increases costs, reduces transparency, raises the potential for erroneous data use, unduly complicates the analytical process, restricts analytical creativity and violates the easy equal access nature of EDGAR.¹³⁶

¹³¹ See the letters from AAA, D&T and IMA.

¹³² See the letters from D&T and NYSSA. One commenter stated that it believed the assumed investment in training and workload to produce the first filing has been underestimated. See the letter from Grant Thornton.

¹³³ See the letters from D&T and PWC. Another commenter addressing costs over time stated that the cost of capital will be reduced in relation to improved transparency and timeliness and this reduction would more than offset the costs of XBRL if XBRL's potential benefits were realized. See the letter from AAA.

¹³⁴ See the letter from NYSSA.

¹³⁵ See the letter from NYSSA.

¹³⁶ See the letters from Linder and NYSSA (some of its members are concerned that XBRL is so complex that it would be difficult and costly for even sophisticated users to create applications). Another commenter stated, however, that unless taxonomies are a good fit with companies' reporting practices, there will be a potential loss of data that would force the capital markets to process two sets of data with a negative effect on trust that increases relational risk and, consequently, the cost of capital. See the letter from AAA.

One commenter suggested that registrants that participate in the voluntary program at the outset may face a costly reworking of their XBRL implementation as methods and procedures are refined and, to minimize this, the Commission could encourage experimentation but should oversee full implementation of XBRL by a small subset of registrants to make any appropriate adjustments before broad implementation.¹³⁷

We intend to monitor the voluntary program as to complexity, ongoing adjustments and other matters.

V. FINAL REGULATORY FLEXIBILITY ANALYSIS

We prepared this Final Regulatory Flexibility Analysis (“FRFA”), in accordance with the Regulatory Flexibility Act.¹³⁸ This FRFA relates to amendments we are adopting that allow registrants, on a voluntary basis, to tag financial information in specified filings using XBRL. The amendments set forth the method by which a registrant participating in the voluntary program may furnish XBRL-Related Documents as an exhibit to its official EDGAR filing.

A. Reasons for, and Objectives of, the Amendments

The purpose of the amendments is to further our ability to assess the feasibility and desirability of using tagged data on a more widespread basis in EDGAR filings. We believe the program to accept XBRL-Related Documents through EDGAR on a voluntary basis will better enable us to study the extent to which XBRL enhances the comparability of that data, its usefulness for financial analysis, and our staff’s ability to

¹³⁷ See the letter from NYSSA.

¹³⁸ 5 U.S.C. 603.

review and assess filings. In addition, the voluntary program will help us assess the effect of XBRL data tagging on the quality and transparency of financial information as well as the compatibility of XBRL data tagging with the Commission's financial reporting requirements.

B. Significant Issues Raised by Public Comment

The Initial Regulatory Flexibility Act Analysis ("IRFA") appeared in the Proposing Release. We requested comment on any aspect of the IRFA, including the number of small entities that would be affected by the proposals, the nature of the impact, and how to quantify the impact of the proposals.

Two commenters specifically responded to our request.¹³⁹ Both commenters stated that:

- it is difficult to quantify the impact of the proposed rules on small entities;
- the impact will include the initial investment for first-time creation of an instance document followed by more efficient creation of subsequent instance documents;
- small entities that participate will benefit from greater market visibility due to the ability of analysts to incorporate their results quickly into their analysis; and
- additional exemptions should not be required during the early stages of the voluntary program and the extension of the program throughout calendar 2005 will enable more small entities to participate after their initial reporting under the Sarbanes-Oxley requirements.

¹³⁹ See the letters from AICPA and PWC.

One of the commenters asserted that many small entities may choose to defer participation until system developers provide the ability to create XBRL documents as a standard output option, thereby making the process much easier and cheaper.¹⁴⁰ Similarly, the other commenter stated that it expected small entities, having documented their reporting processes and controls, to automate their systems and in doing so implement XBRL-enabled streamlining of their reporting.¹⁴¹

C. Small Entities Subject to the Amendments

The voluntary program may have an impact on three broad categories of small entities: all filers; participants in the voluntary program; and non-filers that interact with EDGAR. Filers include operating companies and investment companies. Under Exchange Act Rule 0-10, for purposes of the Regulatory Flexibility Act, an issuer, other than an investment company, that on the last day of its most recent fiscal year, has total assets of \$5 million or less is a “small business” or “small organization.”¹⁴² We estimate there are approximately 2500 small operating company issuers. Under Rule 0-10 under the Investment Company Act, an investment company is a small entity if it, together with other investment companies in the same group of related investment companies, has net assets of \$50 million or less as of the end of its most recent fiscal year.¹⁴³ We estimate that there are approximately 186 investment companies that file reports on Forms N-CSR

¹⁴⁰ See the letter from AICPA.

¹⁴¹ See the letter from PWC.

¹⁴² 17 CFR 240.0-10.

¹⁴³ 17 CFR 270.0-10.

and N-Q that meet this definition. These and other filers may be affected by any change to the EDGAR system.

A small subset of these operating and investment company issuers may voluntarily participate in the program; however, we estimate that number will be very low.

Finally, the dissemination of XBRL data may have an impact on those entities that interact with the EDGAR data stream. We are aware that entities have developed certain products and services based on data in EDGAR; many entities disseminate, re-package, analyze and sell the information. The Commission does not regulate all these entities and therefore it is currently not feasible to accurately estimate the number or size of these potentially affected entities. We sought comment on the number of small entities that would be impacted by the proposal and did not receive any additional information that would allow us to accurately estimate the number or size of these potentially affected entities.

D. Projected Reporting, Recordkeeping, and Other Compliance Requirements

The voluntary program is an experiment to determine the feasibility of using XBRL on a broader basis. Therefore, the cost of participating, the burden on the EDGAR system and the possible effect on those entities that use the EDGAR data stream are somewhat speculative at this point.

As the amendments relate to a voluntary filing program, no registrant is required to file XBRL-Related Documents. If a voluntary participant already uses XBRL to tag data, it may incur minimal additional cost to participate. Other participants who wish to volunteer may have to purchase software or retain a consultant to assist in tagging data.

The inclusion of XBRL-Related Documents on EDGAR may also have effects on other filers, including small entities, who use the system.

The voluntary program may have some effect on any entity that interacts with the data dissemination stream. Allowing filers to submit information in XBRL, even voluntarily, may have an impact on entities providing EDGAR-based services and products. The limited, voluntary nature of the program will help the Commission assess the impact, if any, on these entities.

E. Agency Action to Minimize Effect on Small Entities

The Regulatory Flexibility Act directs us to consider significant alternatives that would accomplish the stated objective, while minimizing any significant adverse impact on small entities. The purpose of the proposals is to further our ability to assess the feasibility and desirability of using tagged data on a more widespread basis. Provision of the XBRL-Related Documents is voluntary. We have considered different or simpler requirements for small entities. For tagged data to provide benefits such as ready comparability, however, the data tagging system cannot have alternative requirements. Similarly, in order to achieve the benefits of data tagging, use of a single data tagging technology is necessary. If we determine to require data tagging in the future, we will look to the results of the voluntary program to find alternatives to minimize any burden on small entities. Two commenters stated that additional exemptions should not be required for small entities during the early stages of the voluntary program.¹⁴⁴

¹⁴⁴ See the letters from AICPA and PWC.

VI. CONSIDERATION OF IMPACT ON THE ECONOMY, BURDEN ON COMPETITION AND PROMOTION OF EFFICIENCY, COMPETITION, AND CAPITAL FORMATION

Section 23(a)(2) of the Exchange Act¹⁴⁵ requires us, when adopting rules under the Exchange Act, to consider the impact that any new rule would have on competition. In addition, Section 23(a)(2) prohibits us from adopting any rule that would impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act. Furthermore, Section 2(b)¹⁴⁶ of the Securities Act, Section 3(f)¹⁴⁷ of the Exchange Act, and Section 2(c)¹⁴⁸ of the Investment Company Act require us, when engaging in rulemaking where we are required to consider or determine whether an action is necessary or appropriate in the public interest, to consider, in addition to the protection of investors, whether the action will promote efficiency, competition, and capital formation.

In the Proposing Release, we considered the amendments in light of the standards set forth in the above statutory sections. We requested comment on whether the proposals, if adopted, would promote efficiency, competition and capital formation or have an impact or burden on competition. We also requested commenters to provide empirical data and other factual support for their views if possible. No commenter addressed anti-competitive effects.¹⁴⁹ Some commenters addressed efficiency and capital formation which we considered and addressed in the cost-benefit section.

¹⁴⁵ 15 U.S.C. 78w(a)(2).

¹⁴⁶ 15 U.S.C. 77b(b).

¹⁴⁷ 15 U.S.C. 78c(f).

¹⁴⁸ 15 U.S.C. 80a-2(c).

¹⁴⁹ We discuss efficiency-related issues in Section IV.

The adopted amendments seek to implement a voluntary program and are intended to help us evaluate the usefulness to registrants, investors and the Commission of data tagging in general, and XBRL in particular. We believe that the amendments will promote efficiency because tagged data may allow more efficient and effective retrieval, research and analysis of financial information through automated means. Because the program is voluntary and the amendments are designed to permit filers to provide information in a format that we believe has the potential to be more useful to investors, we believe the amendments do not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act.

VII. STATUTORY BASIS AND TEXT OF AMENDMENTS

We are adopting the amendments outlined above under Sections 19(a) and 28 of the Securities Act, Sections 3, 12, 13, 14, 15(d), 23(a), 35A and 36 of the Exchange Act, Section 20(a) of the Public Utility Holding Company Act, Section 319(a) of the Trust Indenture Act, Sections 8, 30 and 38 of the Investment Company Act and Section 3(a) of the Sarbanes-Oxley Act.

List of Subjects in CFR Parts 228, 229, 232, 240, 249 and 270

Reporting and recordkeeping requirements, Securities.

For the reasons set forth above, we amend title 17, Chapter II of the Code of Federal Regulations as follows:

PART 228 – INTEGRATED DISCLOSURE SYSTEM FOR SMALL BUSINESS ISSUERS

1. The authority citation for Part 228 continues to read in part as follows:

Authority: 15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77k, 77s, 77z-2, 77z-3, 77aa(25), 77aa(26), 77ddd, 77eee, 77ggg, 77hhh, 77jjj, 77nnn, 77sss, 78l, 78m, 78n, 78o, 78u-5,

78w, 78ll, 78mm, 80a-8, 80a-29, 80a-30, 80a-37, 80b-11, and 7201 et seq.; and 18 U.S.C. 1350.

* * * * *

2. Amend §228.601 by:

a. Revising the exhibit table; and

b. Adding paragraph (b)(100).

The revision and addition read as follows.

§ 228.601 (Item 601) Exhibits.

(a) * * *

EXHIBIT TABLE

| | Securities Act Forms | | | | | Exchange Act Forms | | | |
|--|----------------------|-----|-----|------------------|-----|--------------------|------------------|--------|--------|
| | SB-2 | S-2 | S-3 | S-4 ³ | S-8 | 10-SB | 8-K ⁵ | 10-QSB | 10-KSB |
| (1) Underwriting agreement | X | X | X | X | | | X | | |
| (2) Plan of purchase, sale, reorganization, arrangement, liquidation or succession | X | X | X | X | | X | X | X | X |
| (3) (i) Articles of Incorporation | X | | | X | | X | X | X | X |
| (ii) Bylaws | X | | | X | | X | X | X | X |
| (4) Instruments defining the rights of security holders, including indentures | X | X | X | X | X | X | X | X | X |
| (5) Opinion on legality | X | X | X | X | X | | | | |
| (6) No exhibit required | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| (7) Correspondence from an independent accountant regarding non-reliance upon a previously issued audit report or completed interim review | | | | | | | X | | |
| (8) Opinion on tax matters | X | X | X | X | | | | | |
| (9) Voting trust agreement and amendments | X | | | X | | X | | | X |
| (10) Material contracts | X | X | | X | | X | | X | X |
| (11) Statement re: computation of per share earnings | X | X | | X | | X | | X | X |
| (12) No exhibit required | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

| | | | | | | | | | |
|---|---|---|---|---|---|---|----------------|----------------|----------------|
| (13) Annual report to security holders for the last fiscal year, Form 10-Q or 10-QSB or quarterly report to security holders ¹ | X | X | | X | | | | | X |
| (14) Code of ethics | | | | | | | X | | X |
| (15) Letter on unaudited interim financial information | X | X | X | X | X | | | X | |
| (16) Letter on change in certifying accountant ⁴ | X | X | | X | | X | X | | X |
| (17) Letter on departure of director | | | | | | | X | | |
| (18) Letter on change in accounting principles | | | | | | | | X | X |
| (19) Reports furnished to security holders | | | | | | | | X | |
| (20) Other documents or statements to security holders or any document incorporated by reference | | | | | | | | X | X |
| (21) Subsidiaries of the small business issuer | X | | | X | | X | | | X |
| (22) Published report regarding matters submitted to vote of security holders | | | | | | | | X | X |
| (23) Consents of experts and counsel | X | X | X | X | X | | X ² | X ² | X ² |
| (24) Power of attorney | X | X | X | X | X | X | X | X | X |
| (25) Statement of eligibility of trustee | X | X | X | X | | | | | |
| (26) Invitations for competitive bids | | X | X | X | X | | | | |
| (27) through (30) [Reserved] | | | | | | | | | |
| (31) Rule 13a-14(a)/15d-14(a) Certifications | | | | | | | | X | X |
| (32) Section 1350 Certifications | | | | | | | | X | X |
| (33) through (98)[Reserved] | | | | | | | | | |
| (99) Additional exhibits | X | X | X | X | X | X | X | X | X |
| (100) XBRL-Related Documents | | | | | | X | X | X | X |

¹ Only if incorporated by reference into a prospectus and delivered to holders along with the prospectus as permitted by the registration statement; or in the case of a Form 10-KSB, where the annual report is incorporated by reference into the text of the Form 10-KSB.

² Where the opinion of the expert or counsel has been incorporated by reference into a previously filed Securities Act registration statement.

³ An issuer need not provide an exhibit if: (1) an election was made under Form S-4 to provide S-2 or S-3 disclosure; and (2) the form selected (S-2 or S-3) would not require the company to provide the exhibit.

⁴ If required under Item 304 of Regulation S-B.

⁵ A Form 8-K exhibit is required only if relevant to the subject matter reported on the Form 8-K report. For example, if the Form 8-K pertains to the departure of a director, only the exhibit described in paragraph (b)(17) of this section need be filed. A required exhibit may be incorporated by reference from a previous filing.

(b) * * *

(100) XBRL-Related Documents. An electronic filer that participates in the voluntary XBRL (eXtensible Business Reporting Language) program may submit XBRL-Related Documents (§232.11 of this chapter) in electronic format as an exhibit to: the filing to which they relate; an amendment to such filing; or a Form 8-K (§249.308 of this chapter) that references such filing, if the Form 8-K is submitted no earlier than the date of that filing.

PART 229 – STANDARD INSTRUCTIONS FOR FILING FORMS UNDER SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934 AND ENERGY POLICY AND CONSERVATION ACT OF 1975 – REGULATION S-K

3. The authority citation for Part 229 continues to read in part as follows:

Authority: 15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77k, 77s, 77z-2, 77z-3, 77aa(25), 77aa(26), 77ddd, 77eee, 77ggg, 77hhh, 77iii, 77jjj, 77nnn, 77sss, 78c, 78i, 78j, 78l, 78m, 78n, 78o, 78u-5, 78w, 78ll, 78mm, 79e, 79j, 79n, 79t, 80a-8, 80a-9, 80a-20, 80a-29, 80a-30, 80a-31(c), 80a-37, 80a-38(a), 80a-39, 80b-11, and 7201 et seq.; and 18 U.S.C. 1350, unless otherwise noted.

* * * * *

4. Amend §229.601 by:

- a. Revising the exhibit table; and
- b. Adding paragraph (b)(100).

The revision and addition read as follows.

§ 229.601 (Item 601) Exhibits.

(a) * * *

Exhibit Table

Instructions to the Exhibit Table

* * * * *

| EXHIBIT TABLE | | | | | | | | | | | | | | | |
|--|-----------------------------|------------|------------|-------------------------|------------|-------------|------------|------------|------------|-------------------------|---------------------------|-------------------------|-------------|-------------|-------------|
| | <u>Securities Act Forms</u> | | | | | | | | | | <u>Exchange Act Forms</u> | | | | |
| | <u>S-1</u> | <u>S-2</u> | <u>S-3</u> | <u>S-4</u> ³ | <u>S-8</u> | <u>S-11</u> | <u>F-1</u> | <u>F-2</u> | <u>F-3</u> | <u>F-4</u> ³ | <u>10</u> | <u>8-K</u> ⁵ | <u>10-D</u> | <u>10-Q</u> | <u>10-K</u> |
| (1) Underwriting agreement | X | X | X | X | --- | X | X | X | X | X | --- | X | --- | --- | --- |
| (2) Plan of acquisition, reorganization, arrangement, liquidation or succession | X | X | X | X | --- | X | X | X | X | X | X | X | --- | X | X |
| (3) (i) Articles of incorporation | X | --- | --- | X | --- | X | X | --- | --- | X | X | X | X | X | X |
| (ii) By-laws | X | --- | --- | X | --- | X | X | --- | --- | X | X | X | X | X | X |
| (4) Instruments defining the rights of security holders, including indentures | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| (5) Opinion re legality | X | X | X | X | X | X | X | X | X | X | --- | --- | --- | --- | --- |
| (6) [Reserved] | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| (7) Correspondence from an independent accountant regarding non-reliance on a previously issued audit report or completed interim review | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X | --- | --- | --- |
| (8) Opinion re tax matters | X | X | X | X | --- | X | X | X | X | X | --- | --- | --- | --- | --- |
| (9) Voting trust agreement | X | --- | --- | X | --- | X | X | --- | --- | X | X | --- | --- | --- | X |
| (10) Material contracts | X | X | --- | X | --- | X | X | X | --- | X | X | --- | X | X | X |
| (11) Statement re computation of per share earnings | X | X | --- | X | --- | X | X | X | --- | X | X | --- | --- | X | X |
| (12) Statements re computation of ratios | X | X | X | X | --- | X | X | X | --- | X | X | --- | --- | --- | X |
| (13) Annual report to security holders, Form 10-Q and 10-QSB, or quarterly report to security holders ¹ | --- | X | --- | X | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X |
| (14) Code of Ethics | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X | --- | --- | X |

| | | | | | | | | | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----------------|----------------|----------------|----------------|----------------|
| (15) Letter re unaudited interim financial information | X | X | X | X | X | X | X | X | X | X | X | --- | --- | --- | X | --- |
| (16) Letter re change in certifying accountant ⁴ | X | X | --- | X | --- | X | --- | --- | --- | --- | X | X | --- | --- | --- | X |
| (17) Correspondence on departure of director | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X | --- | --- | --- | --- |
| (18) Letter re change in accounting principles | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X | X |
| (19) Report furnished to security holders | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X | --- |
| (20) Other documents or statements to security holders | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X | --- | --- | --- | --- |
| (21) Subsidiaries of the registrant | X | --- | --- | X | --- | X | X | --- | --- | X | X | --- | --- | --- | --- | X |
| (22) Published report regarding matters submitted to vote of security holders | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X | X | X | X |
| (23) Consents of experts and counsel | X | X | X | X | X | X | X | X | X | X | --- | X ² | X ² | X ² | X ² | X ² |
| (24) Power of attorney | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| (25) Statement of eligibility of trustee | X | X | X | X | --- | X | X | X | X | X | --- | --- | --- | --- | --- | --- |
| (26) Invitations for competitive bids | X | X | X | X | --- | --- | X | X | X | X | --- | --- | --- | --- | --- | --- |
| (27) through (30) [Reserved] | | | | | | | | | | | | | | | | |
| (31) (i) Rule 13a-14(a)/15d-14(a) Certifications | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X | X |
| (ii) Rule 13a-14(d)/15d-14(d) Certifications ⁶ | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X |
| (32) Section 1350 Certifications ⁶ | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X | X |
| (33) Report on assessment of compliance with servicing criteria for asset-backed securities | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X |
| (34) Attestation report on assessment of compliance with servicing criteria for asset-backed securities | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X |
| (35) Servicer compliance statement | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | X |
| (36) through (98) [Reserved] | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| (99) Additional exhibits | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| (100) XBRL-Related Documents | | | | | | | | | | | X | X | | | X | X |

¹ Where incorporated by reference into the text of the prospectus and delivered to security holders along with the prospectus as permitted by the registration statement; or, in the case of the Form 10-K, where the annual report to security holders is incorporated by reference into the text of the Form 10-K.

² Where the opinion of the expert or counsel has been incorporated by reference into a previously filed Securities Act registration statement.

³ An exhibit need not be provided about a company if: (1) with respect to such company an election has been made under Form S-4 or F-4 to provide information about such company at a level prescribed by Form S-2, S-3, F-2 or F-3; and (2) the form, the level of which has been elected under Form S-4 or F-4, would not require such company to provide such exhibit if it were registering a primary offering.

⁴ If required pursuant to Item 304 of Regulation S-K.

⁵ A Form 8-K Exhibit is required only if relevant to the subject matter reported on the Form 8-K report. For example, if the Form 8-K pertains to the departure of a director, only the exhibit described in paragraph (b)(17) of this section need be filed. A required exhibit may be incorporated by reference from a previous filing.

⁶ Pursuant to §§ 240.13a-13(b)(3) and 240.15d-13(b)(3) of this chapter, asset-backed issuers are not required to file reports on Form 10-Q.

(b) * * *

(100) XBRL-Related Documents. An electronic filer that participates in the voluntary XBRL (eXtensible Business Reporting Language) program may submit XBRL-Related Documents (§232.11 of this chapter) in electronic format as an exhibit to: the filing to which they relate; an amendment to such filing; or a Form 8-K (§249.308 of this chapter) that references such filing, if the Form 8-K is submitted no earlier than date of that filing.

PART 232 – REGULATION S-T – GENERAL RULES AND REGULATIONS FOR ELECTRONIC FILINGS

5. The authority citation for Part 232 continues to read as follows:

Authority: 15 U.S.C. 77f, 77g, 77h, 77j, 77s(a), 77sss(a), 78c(b), 78l, 78m, 78n, 78o(d), 78w(a), 78ll(d), 79t(a), 80a-8, 80a-29, 80a-30, 80a-37, and 7201 et seq.; and 18 U.S.C. 1350.

* * * * *

6. Amend §232.11 by adding the following definition in alphabetical order.

§ 232.11 Definition of terms used in part 232.

* * * * *

XBRL-Related Documents. The term XBRL-Related Documents means documents related to presenting information in eXtensible Business Reporting Language that are part of a voluntary submission in electronic format in accordance with §232.401.

7. Amend §232.305 by revising paragraph (b) to read as follows:

§ 232.305 Number of characters per line; tabular and columnar information.

* * * * *

(b) Paragraph (a) of this section does not apply to HTML documents or XBRL-Related Documents (§232.11).

8. Amend Part 232 by adding an undesignated center heading and text to §§232.401 and 232.402 to read as follows:

XBRL-Related Documents

§ 232.401 XBRL-Related Document submissions.

(a) An electronic filer that participates in the voluntary XBRL (eXtensible Business Reporting Language) program may submit XBRL-Related Documents (§232.11) in electronic format as an exhibit to: the filing to which they relate; an amendment to such filing; or, if the electronic filer is eligible to file a Form 8-K (§249.308 of this chapter) or a Form 6-K (§249.306 of this chapter), a Form 8-K or a Form 6-K, as applicable, that references the filing to which the XBRL-Related Documents relate if such Form 8-K or Form 6-K is submitted no earlier than the date of that filing. The XBRL-Related Documents must comply with the content and format

requirements of this section, be submitted as an exhibit to a form that contains the disclosure required by this section and be submitted in accordance with the EDGAR Filer Manual and, as applicable, one of Item 601(b)(100) of Regulation S-K (§229.601(b)(100) of this chapter), Item 601(b)(100) of Regulation S-B (§228.601(b)(100) of this chapter), Form 20-F (§249.220f of this chapter), Form 6-K or §270.8b-33 of this chapter.

(b) XBRL-Related Documents must consist of mandatory content and may consist of optional content but only if the optional content accompanies the mandatory content in the same submission.

(1) Mandatory content consists of a complete set of information for all periods presented in the corresponding official EDGAR filing from one or more of the following categories (as filed in the corresponding official EDGAR filing):

(i) The complete set of financial statements (the only exceptions are that notes to the financial statements and schedules related to the financial statements may be omitted unless the electronic filer is a registered management investment company in which case it must include Schedule I – Investments in Securities of Unaffiliated Issuers (§210.12-12 of this chapter));

(ii) Earnings information set forth in Form 6-K or Items 2.02 or 8.01 of Form 8-K (whether contained in the body of the Form 6-K or Form 8-K or in an exhibit, and whether filed or furnished); or

(iii) Financial highlights or condensed financial information set forth in Item 8(a) of Form N-1A (§239.15A and §274.11A of this chapter), Item 4.1 of Form N-2 (§239.14 and §274.11a-1 of this chapter) or Item 4(a) of Form N-3 (§239.17a and §274.11b of this chapter), as applicable.

- (2) Optional content can consist only of a complete set of information that is:
- (i) For all periods presented in the corresponding official EDGAR filing;
 - (ii) Related to financial information in the corresponding official EDGAR filing that is simultaneously submitted as mandatory content (as specified in paragraph (b)(1) of this section); and
 - (iii) From one or more of the following categories (as filed in the corresponding official EDGAR filing):
 - (A) Audit opinions (as specified by Rule 2-02 of Regulation S-X (§210.2-02 of this chapter));
 - (B) Interim review reports (as specified by Rule 10-01(d) of Regulation S-X (§210.10-01(d) of this chapter));
 - (C) Reports of management on the financial statements;
 - (D) Certifications;
 - (E) Management's discussion and analysis of financial condition and results of operations (as specified by Item 303 of Regulation S-K (§229.303 of this chapter));
 - (F) Management's discussion and analysis or plan of operation (as specified by Item 303 of Regulation S-B (§228.303 of this chapter));
 - (G) Operating and financial review and prospects (as specified by Item 5 of Form 20-F); or
 - (H) Management's discussion of fund performance (as specified by Item 22(b)(7) of Form N-1A).
- (c) XBRL-Related Documents must appear in voluntary program format.
- XBRL-Related Documents appear in voluntary program format if:

(1) Each data element (i.e., all text and all line item names and associated values, dates and other labels) contained in the XBRL-Related Documents reflects the same information in the corresponding official EDGAR filing (i.e., the HTML or ASCII version);

(2) No data element contained in the corresponding official EDGAR filing is changed, deleted or summarized in the XBRL-Related Documents;

(3) The XBRL-Related Documents correlate to the appropriate version of a standard taxonomy, supplemented with extension taxonomies as specified in the EDGAR Filer Manual (§232.11);

(4) Each data element contained in the XBRL-Related Documents is matched with an appropriate tag in accordance with any applicable taxonomy; and

(5) The XBRL-Related Documents contain any additional mark-up related content (e.g., the XBRL tags themselves, identification of the core XML documents used and other technology related content) not found in the corresponding official EDGAR filing that are necessary to comply with the EDGAR Filer Manual requirements.

(d) The filing with which XBRL-Related Documents are submitted as an exhibit must contain the disclosures specified in paragraph (d)(1) of this section in the location specified in paragraph (d)(2) of this section.

(1) The filing must disclose:

(i) That the financial information contained in the XBRL-Related Documents is “unaudited” or “unreviewed,” as applicable;

(ii) That the purpose of submitting the XBRL-Related Documents is to test the related format and technology and, as a result, investors should not rely on the XBRL-Related Documents in making investment decisions; and

(iii) The identity of the corresponding official EDGAR filing (but only if the filing is a Form 8-K or Form 6-K or an amendment to a Form 8-K or Form 6-K and a purpose of filing the form was to submit as an exhibit XBRL-Related Documents that present information related to financial information filed as part of a different form in the corresponding official EDGAR filing).

(2) The disclosures required by paragraph (d)(1) of this section must appear, as applicable, in:

(i) The exhibit index of a Form 10-K (§249.310 of this chapter), 10-Q (§249.308a of this chapter), 10 (§249.210 of this chapter), 10-SB (§249.210b of this chapter), 10-KSB (§249.310b of this chapter), 10-QSB (§249.308b of this chapter) or 20-F;

(ii) Item 2.02 or 8.01 of a Form 8-K; or

(iii) The body of a Form 6-K, N-CSR (§274.128 of this chapter) or N-Q (§274.130 of this chapter).

Note to §232.401: Although XBRL-Related Documents are required by this section to comply with content and format requirements related to the corresponding official EDGAR filing, the purpose of submitting the XBRL-Related Documents is to test the related format and technology and, as a result, investors and others should continue to rely on the official version of the filing and not rely on the XBRL-Related Documents in making investment decisions.

§ 232.402 Liability for XBRL-Related Documents.

(a) Not deemed filed for liability purposes. XBRL-Related Documents, regardless of whether they are exhibits to a document incorporated by reference into a filing:

(1) Are not deemed filed for purposes of section 18 of the Exchange Act (15 U.S.C. 78r) or section 34(b) of the Investment Company Act (15 U.S.C. 80a-33(b)) or otherwise subject to the liabilities of these sections;

(2) Are not deemed incorporated by reference;

(3) Are subject to all other liability and anti-fraud provisions of these Acts; and

(4) Are deemed filed for purposes of Item 103 of Regulation S-T (§232.103).

(b) Accurate reflection of underlying documents. An electronic filer is not liable under the Securities Act, Exchange Act, Public Utility Act, Trust Indenture Act or Investment Company Act for information in its XBRL-Related Documents that complies with the requirements of Item 401 of Regulation S-T (§232.401) to the extent that such information was not materially false or misleading in the corresponding official EDGAR filing. To the extent the information in an electronic filer's XBRL-Related Documents does not comply with the requirements of Item 401, the information in the XBRL-Related Documents will be deemed to comply with Item 401 for purposes of this paragraph if the electronic filer makes a good faith and reasonable attempt to comply with Item 401 and, as soon as reasonably practicable after the electronic filer becomes aware that the information in the XBRL-Related Documents does not comply with Item 401, the electronic filer amends the XBRL-Related Documents and, as a result, the information complies with Item 401.

PART 240 – GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

9. The authority citation for Part 240 continues to read in part as follows:

Authority: 15 U.S.C. 77c, 77d, 77g, 77j, 77s, 77z-2, 77z-3, 77eee, 77ggg, 77nnn, 77sss, 77ttt, 78c, 78d, 78e, 78f, 78g, 78i, 78j, 78j-1, 78k, 78k-1, 78l, 78m, 78n, 78o, 78p, 78q, 78s, 78u-5, 78w, 78x, 78ll, 78mm, 79q, 79t, 80a-20, 80a-23, 80a-29, 80a-37, 80b-3, 80b-4 80b-11, and 7201 et seq.; and 18 U.S.C. 1350, unless otherwise noted.

* * * * *

10. Amend §240.13a-14 by adding paragraph (f) to read as follows:

§ 240.13a-14 Certification of disclosure in annual and quarterly reports.

* * * * *

(f) The certification requirements of this section do not apply to XBRL-Related Documents, as defined in §232.11 of this chapter.

11. Amend §240.15d-14 by adding paragraph (f) to read as follows:

§ 240.15d-14 Certification of disclosure in annual and quarterly reports.

* * * * *

(f) The certification requirements of this section do not apply to XBRL-Related Documents, as defined in §232.11 of this chapter.

PART 249 – FORMS, SECURITIES EXCHANGE ACT OF 1934

12. The authority citation for Part 249 continues to read in part as follows:

Authority: 15 U.S.C. 78a et seq. and 7201 et seq.; and 18 U.S.C. 1350, unless otherwise noted.

* * * * *

13. Amend Form 20-F (referenced in (§249.220f) by reserving paragraphs 16 through 99 and adding paragraph 100 at the end of “Instructions as to Exhibits” to read as follows:

Note – The text of Form 20-F does not and this amendment will not appear in the Code of Federal Regulations.

FORM 20-F

* * * * *

INSTRUCTIONS AS TO EXHIBITS

* * * * *

16 through 99
[Reserved]

100. XBRL-Related Documents. XBRL-Related Documents (§232.11 of this chapter).

* * * * *

14. Amend Form 6-K (referenced in (§249.306) by adding paragraph (5) to General Instruction C to read as follows:

Note – The text of Form 6-K does not and this amendment will not appear in the Code of Federal Regulations.

Form 6-K

* * * * *

GENERAL INSTRUCTIONS

* * * * *

C. * * *

(5) XBRL-Related Documents. XBRL-Related Documents (§232.11 of this chapter) can be submitted if listed as exhibit 100.

* * * * *

**PART 270 – GENERAL RULES AND REGULATIONS, INVESTMENT
COMPANY ACT OF 1940**

15. The authority citation for Part 270 continues to read in part as follows:

Authority: 15 U.S.C. 80a-1 et seq., 80a-34(d), 80a-37, and 80a-39, unless
otherwise noted.

* * * * *

16. Revise §270.8b-1 to read as follows:

§ 270.8b-1 Scope of §§270.8b-1 to 270.8b-33.

The rules contained in §§270.8b-1 to 270.8b-33 shall govern all registration statements pursuant to section 8 of the Act (15 U.S.C. 80a-8), including notifications of registration pursuant to section 8(a), and all reports pursuant to section 30(a) or (b) of the Act (15 U.S.C. 80a-29(a) or (b)), including all amendments to such statements and reports, except that any provision in a form covering the same subject matter as any such rule shall be controlling.

17. Amend §270.8b-2 by revising the phrase “§§270.8b-1 through 270.8b-32” to read “§§270.8b-1 through 270.8b-33” in the introductory text of the section.

18. Add § 270.8b-33 to read as follows:

§ 270.8b-33 XBRL-Related Documents.

A registrant that participates in the voluntary XBRL (eXtensible Business Reporting Language) program may submit, in electronic format as an exhibit to a filing on Form N-CSR (§§249.331 and 274.128 of this chapter) or Form N-Q (§§249.332 and 274.130 of this chapter) to which they relate, XBRL-Related Documents (§232.11 of this chapter). A registrant that submits XBRL-Related Documents as an exhibit to a form

must name each XBRL-Related Document “EX-100” as specified in the EDGAR Filer Manual and submit the XBRL-Related Documents in such a manner that will permit the information for each series of an investment company registrant and each contract of an insurance company separate account to be separately identifiable. A registrant may submit such exhibit with, or in an amendment to, the filing to which it relates.

19. Amend §270.30a-2 by adding paragraph (d) to read as follows:

§ 270.30a-2 Certification of Forms N-CSR and N-Q.

* * * * *

(d) The certification requirements of this section do not apply to XBRL-Related Documents, as defined in §232.11 of this chapter.

* * * * *

By the Commission.

Margaret H. McFarland
Deputy Secretary

February 3, 2005